

State of New Hampshire  
 Board of Pharmacy  
 2015 Performance Audit Findings Corrective Action Plan  
 Initial Status Report

Completion Status  
 Open \*

Partially Complete \*\*

Substantially Complete \*\*\*

Completed \*\*\*\*

#	Observation Title	Recommendation	Action Item	Due Date	Completion Status	Comments
1	Adopt Rules for Inspecting Licensees	We recommend the Board adopt similar kinds of procedural inspection rules for each type of license when updating its administrative rules.	Develop & Adopt procedural inspection rules for each license type	On-going	*	
2	Update Compliance Investigator Policy Manual	<p>We recommend the Board update its compliance policy manual by:</p> <ul style="list-style-type: none"> <li>• including policies and procedures regarding performing inspections, issuing violations, and potential conflicts of interest;</li> <li>• removing outdated policies and references to expired administrative rules; and</li> <li>• redacting confidential information.</li> </ul> <p>We further recommend the Board periodically review the</p>	The Board will work on updating the Compliance Investigator Manual as it develops rules for inspections. The Board will also make sure to develop policies on the issuance of violations and guidelines to address potential conflicts of interest. Although the policy manual is an internal document we will be careful not to include any confidential information.	On-going	*	

		<p>manual, as well as formally document and communicate any changes in writing, and provide training to inspectors in a timely manner.</p>				
3	<p>Ensure Inspection Forms Reflect All Statutory And Administrative Rule Requirements</p>	<p>We recommend the Board:</p> <ul style="list-style-type: none"> <li>• ensure its inspection forms include all requirements outlined in statute and administrative rule,</li> <li>• ensure citations contained in inspection forms are accurate, and</li> <li>• provide written guidance and training for interpreting and using the inspection forms in a consistent manner.</li> </ul> <p>Further, prior to implementing the online licensing software, we recommend the Board and the Department of Information Technology work together to determine whether the software will meet the Board's needs for supporting inspections. If not, the Board</p>	<p>The Board will make sure citations that are contained on our inspection forms are accurate. As we are actively working on getting our rules updated and there are plans for us to move to on-line licensing which does include an inspection module we plan to review all inspection forms. That review will include making sure that our citations are correct. We will ensure that inspection forms include all requirements and will work towards all forms being used in a</p>	On-going	*	

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		should seek to enhance or replace its retail pharmacy inspection information system using other means.	consistent manner.			
4	Violation Form Should Be In Administrative Rule	We recommend the Board update the Violation Notice and promulgate administrative rules to adopt the updated form.  The Board should review whether it wants to limit its ability to discipline a licensee when an initial violation is given to the licensee.	The Board will include the violation notice in the rules we develop on procedural inspections.	On-going	**	The issue with limiting the Board's ability to discipline based upon an initial violation has already been resolved. After the limitation was discovered towards the end of calendar year 2014, the Board reviewed the matter with legal counsel. The language has been changed and the amended violation notice has been in use since March 2015.
5	Ensure Board Fees Are Reasonable	The Board should periodically review and, if necessary, adjust its fees to ensure it is charging a fair amount to administer the Board.	The Board will review fees to ensure that the amount being charged is fair.	On-going	*	The Board understands that with the implementation of House Bill 2, the Board will no longer establish fees. House Bill 2 moves the fee setting to the new Office of Professional Licensing.
6	Establish Performance Goals And Measurements	We recommend the Board establish an inspection performance measurement system by improving its utilization of data collected during the inspection process, as well as develop and compare goals to actual performance in order to improve the	The Board agrees that establishing performance measures will be beneficial to improve the effectiveness and efficiency of inspections.	On-going	*	With the implementation of House Bill 2, the Board understands the Compliance Unit will no longer report to them. Staff will be supervised by the Professional Medical Division. It is not clear at this time if this will remain a Board function.

		effectiveness and efficiency of inspections.				
7	Improve Reliability Of Agency Inspection Data	<p>We recommend the Board:</p> <ul style="list-style-type: none"> <li>• establish a system to capture and report its inspectional activities sufficient to effectively monitor and manage those activities to reasonably ensure it is utilizing its inspectional resources in an efficient and effective manner;</li> <li>• assess the inspection capabilities of the online licensing software, prior to implementation, to determine the best course of action in order to meet the needs of the inspection process, as well as provide formal training and properly maintain whichever programs</li> </ul>	<p>The Board agrees that having a reliable system to track inspectional activities is important. Additionally, meeting with DoIT and researching other inspectional software options is important to make sure we end up with a system that meets our needs is beneficial. Working collaboratively with the other Boards receiving inspectional services from us to identify practitioners in need of inspection is also important to making sure we meet our goals.</p>	On-going	*	<p>With the implementation of House Bill 2, the Board understands the Compliance Unit will no longer report to them. Staff will be supervised by the Professional Medical Division. It is not clear at this time if this will remain a Board function.</p>

		<p>the Board deems appropriate; and</p> <ul style="list-style-type: none"> <li>collaborate with other boards receiving inspection services to establish a process to effectively and efficiently identify practitioners who have been inspected and those who are in need of inspection.</li> </ul>				
8	Establish A Process To Track Inspections And Violations Related To Individual Pharmacists	We recommend the Board develop procedures to track which pharmacists have been inspected, as well as to track violations related to individual pharmacists.	The Board agrees that we should be able to tack all violations. Violations are issued to the individual responsible at the identified location. Board rules outline that the Pharmacist-In-Charge (PIC) is response for the practice of pharmacy at the store where he/she	On-going	*	

			has agreed to be the PIC. We will look into the feasibility of identifying the individual pharmacist responsible for the actions that led to a violation being issued and determine if this could be done.			
9	Ensure Out-Of-State Licensees Are Inspected Similarly To In-State Licensees	We recommend the Board establish procedures to ensure out-of-State licensees are inspected similar to in-State licensees.	Non-Resident licensees are required to follow the laws and rules of the state in which they are domiciled. Our inspectors are not qualified to conduct inspections in accordance with the laws in rules outside of NH. During the initial application for licensure and renewal application the Board does request copies of	On-going	*	

			inspections from the domiciled state. Any document issues of non-compliance on the domiciled state inspection are brought to the attention of the Board before the initial or renewal license is approved or denied.			
10	Consider A Risk-Based Inspection Schedule	<p>We recommend the Board:</p> <ul style="list-style-type: none"> <li>Establish policies and procedures for scheduling and performing inspections to best respond to areas of higher public risk.</li> <li>Work with other boards to identify and regularly update its list of practitioners subject to inspection.</li> <li>Develop a process</li> </ul>	The Board will look at a risk based inspection schedule. Also, as policy and procedures are updated and performance measures are established as recommended in Observation No. 6, the Board will work on establishing	On-going	*	With the implementation of House Bill 2, the Board understands the staff for Boards will be combined. Staff will be supervised by the Professional Medical Division. This consolidation should make the registrant information from the other Boards more accessible.

		<ul style="list-style-type: none"><li>• for identifying and compiling a list of agricultural, technical, and industrial users of prescription drugs. Establish policies and procedures for formally reviewing, monitoring, and communicating aggregate results of inspections to Board members so information which could potentially be used to improve the inspection process are available.</li></ul>	polices to communicate aggregate inspection results to the Board so information can be used to improve the inspection process. We will work with the other Boards to identify practitioners that are subject to inspection. The Board will also look into the feasibility of identifying who the agricultural, technical, and industrial users of prescription drugs are so that they can be inspected.			
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